

**DETERMINATION AND FINDINGS
FOR A
SOLE SOURCE PROCUREMENT**

REQUISITION NO:

CAPTION: Employment Verification Services

PROPOSED CONTRACTOR: TALX Corporation (the Work Number)

PROGRAM AGENCY: Department of Human Services (DHS)

FINDINGS

1. AUTHORIZATION:

D.C. Official Code §2-354.04, 27 DCMR 1304 and 1702

2. MINIMUM NEED:

The Department of Human Services/Economic Security Administration (ESA) has a need for a web based employment verification system to provide immediate verification of employment for customers receiving public benefits. The system must allow instant web accessibility with up to day payroll information from both national and local employers.

Period of Performance is one (1) year from date of award with four one-year option periods.

3. ESTIMATED REASONABLE PRICE: \$192,000.00

4. FACTS WHICH JUSTIFY SOLE SOURCE PROCUREMENT:

DHS has used The Work Number (TALX) over the last five years. DHS has used it to successfully reduce error rates and increase accuracy for both TANF as well as the Food Stamp program. DHS went from being sanctioned, and required to reinvest hundreds of thousands of dollars in the program, to receiving hundreds of thousands of dollars in accuracy bonus dollars. The Work Number has been a key tool in these efforts.

The Work Number has amassed the nation's largest proprietary service of employment and income information for use by the public and private sector. Government service agencies that administer federal, state or local public assistance to low-income families and individuals use The Work Number daily to validate applicant-provided information. The Work Number is the largest proprietary service of authentic, up-to-date employment and income data. The Work Number provides instant access to over 200 million employment records from more than 2,200 employers nationwide. There is no other

method for these agencies to instantly search and review as many payroll records at one time as they can with The Work Number.

The Work Number contains data on over 37% of the U.S. workforce nationwide (Source: U.S. Department of Labor). Of the 200+ million records available on The Work Number, 51 million are “active” or current employment. Those 51 million active records represent over 37% of the total U.S. employed population of 138 million. The remaining 150+ million records on The Work Number correspond to former employment.

The Work Number is the only sizeable provider of third-party income verifications who is under contract with its participating employers to:

- a) obtain updated employee wage data each payroll period
- b) release this data electronically to government entities for the purposes of fraud investigations, eligibility determinations and locating defaults

There is no other provider who offers automated, instant access to the specific employer payroll records available on The Work Number. Nor is there another third-party data supplier that hosts a sufficient amount of current, employer direct data to meet state agencies’ program needs.

When viewed against other 3rd-party data providers, such as a credit bureau or “data aggregators,” The Work Number is unique because it provides confidential data direct from the employers’ payroll system. Data aggregators compile data from other sources, such as credit applications filled out by the consumer, legal filings, or public data sources. These companies are not contracted with employers to provide data directly to public assistance agencies as a trusted 3rd party.

5. CERTIFICATION BY AGENCY HEAD:

I hereby certify that the above findings are true, correct and complete.

Date

David A. Berns
Director, Department of Human Services

